



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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WILLIAM T FUJIOKA
Chief Executive Officer

April 13, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#33 APRIL 13, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
CONSULTANT SERVICES AGREEMENT FOR AS-NEEDED
THIRD PARTY LABOR COMPLIANCE MANAGEMENT SERVICES
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

The recommended actions will provide for monitoring services of contractors' compliance with State labor regulations pursuant to recent legislation related to construction projects.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Public Works or her designee to execute a consultant services agreement with The Solis Group to provide as-needed labor compliance management services for various County construction projects for a three-year term with two optional one-year extensions. The agreement shall not exceed \$2.0 million for the five-year period.
2. Authorize the Director of Public Works or her designee to exercise the option of extending the contract for each of the two optional one-year extensions.
3. Authorize the Director of Public Works or her designee to extend the term of the contract beyond the five-year period, as necessary, for the purpose of allowing the consultant to continue providing labor compliance monitoring services on those construction projects that are underway but have not yet reached completion.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will allow the Department of Public Works (Public Works) to hire The Solis Group to perform labor compliance monitoring services of construction contractors in accordance with the State Department of Industrial Relations' (DIR) amended regulations.

Currently, Public Works manages the construction of multiple infrastructure and capital projects. For many of these projects, if the project is partially or wholly funded with certain types of State funding or if the project is being delivered under the design-build contracting authority, the County is required to comply with State regulations that mandate a labor compliance program (LCP) be in place for the duration of the construction work. An LCP requires the County to monitor contractors' and subcontractors' compliance with regulations relating payment of prevailing wages to certain classes of workers, employment of apprentices, submittal of certified payroll records, and various other labor-related requirements. The DIR allows awarding public agencies to either enforce their own LCP that is consistent with State law or to contract with a third party to operate an LCP that has been approved by the DIR.

Traditionally, for construction projects managed by Public Works, the DIR was responsible for enforcing state prevailing wage requirements. However, with the passage of legislation in 2004 to enact Proposition 50 (Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002) and the approval of design/build legislation in 2005, labor compliance monitoring responsibility was transferred to local jurisdictions that either received Proposition 50 funding or utilized the design/build delivery method.

In February 2009, to address California's budget crisis, Governor Schwarzenegger signed State legislation that would allow the DIR to charge a fee to counties and other public agencies for the DIR to monitor contractors' compliance with such regulations. This fee-supported system would be in lieu of requiring public agencies to have in place its own LCP or a contract with a third party operating an LCP. However, the DIR has not completed the necessary steps to adopt regulatory standards and establish the fee-supported system. The DIR anticipates completing their process in mid- to late-2010.

As an interim measure to comply with legislative requirements and while the DIR completes the regulatory standards, it is recommended that Public Works enter into a consultant services agreement with The Solis Group to provide as-needed third party labor compliance management services for various County construction projects for which an LCP is required by State statutes.

The agreement term is for a three-year term with two optional one-year extensions for a total term of five years. Further, it is recommended that Public Works be allowed to extend the term of the agreement for any projects under construction at the end of the agreement term through project completion in order to be compliant with State statutes. Any such extension of term will not increase the not to exceed amount of \$2.0 million for the five year period.

During this interim period, the Office of Affirmative Action Compliance (OAAC) agreed to research the State's requirements and determine the feasibility of performing the LCP monitoring services as a new program within their department. Should OAAC determine that such a program would be beneficial to the County, the Chief Executive Office and Public Works will assist OAAC in the development of an LCP labor compliance monitoring services program and recommend adoption of the program by your Board and approval by the DIR. The approval of a County operated LCP monitoring program will increase the options available to the County on an as-needed basis as each capital or infrastructure project is approved by your Board.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by increasing our ability to manage fluctuations in workload in a responsive manner and provide responsive, efficient, and high-quality public service.

FISCAL IMPACT/FINANCING

The total cost of the as-needed consultant services agreement shall not exceed \$2.0 million during the maximum five-year period. The term of the contract and associated costs may be extended to meet any projects under construction at the end of the agreement term through project completion in order to be compliant with State statutes.

The labor compliance management services consultant agreement costs will be included in each capital or infrastructure project as a separate budget line item and funded as construction contracts are approved by your Board.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard consultant services agreement, in the form previously approved by County Counsel, will be used. The agreement will be in compliance with the Chief Executive Officer's and your Board's requirements.

The agreement will contain terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN/GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County

Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; Defaulted Property Tax Reduction Program, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The consultant was selected upon final analysis and consideration without regard to race, creed, gender, or color.

The agreement includes a cost-of-living adjustment provision in accordance with your Board Policy, which was approved on January 29, 2002.

ENVIRONMENTAL DOCUMENTATION

The proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. The proposed actions are an administrative activity of the government which will not result in direct or indirect changes to the environment.

The appropriate environmental documentation as required under CEQA will be completed and your Board be requested to make a CEQA finding before a discretionary action is approved for any construction project.

CONTRACTING PROCESS

On July 13, 2009, Public Works issued a Request for Proposals (RFP) to 16 firms. On August 12, 2009, five firms responded to the RFP. An Evaluation Committee, consisting of Public Works' project management staff, evaluated the proposals. Evaluation of the proposals was based on the proposed work plan, experience, personnel, qualifications, and understanding of the work requirements. These evaluations were completed without regard to race, creed, color, or gender. Based on the Evaluation Committee's review and evaluation of the proposals, and oral interviews, the Evaluation Committee recommended The Solis Group as the best-qualified firm to perform the specified services on an as-needed basis.

As requested by your Board on February 3, 1988, the RFP was listed on the Doing Business with Us website. A copy of the website posting is attached for your reference.

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The Solis Group's Community Business Enterprises participation data and three-year contracting history are on file with Public Works.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended agreement as this agreement is for non-Proposition A services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during the performance of the recommended consultant services.

CONCLUSION

Please return one adopted copy of this letter to the Chief Executive Office, Capital Projects Division, and the Department of Public Works, Architectural Engineering Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:GF:SK
DJT:DKM:zu

c: Executive Office, Board of Supervisors
County Counsel
Department of Public Works
Office of Affirmative Action Compliance

Award information has not been added at this time.

Bid Information

Bid Number : AED071309

Bid Title : Third Party Labor Compliance Program Manager Services

Bid Type : Service

Department : Public Works

Commodity : CONSULTING SERVICES - LEGAL

Open Date : 7/13/2009

Closing Date : 8/12/2009 4:00 PM

Notice of Intent to Award : [View Detail](#)

Bid Amount : N/A

Bid Download : Not Available

Bid Description : The County of Los Angeles Department of Public Works (Public Works) is inviting proposals from qualified firms to provide Third Party Labor Compliance Program Manager Services for the County of Los Angeles Department of Public Works.

The objective of this solicitation is to select a firm that is best qualified to provide the requested services.

Please email Matt Jerge your contact information and the RFP will be emailed back to you.

Contact Name : Matt Jerge

Contact Phone# : (626) 458-2593

Contact Email : mjerge@dpw.lacounty.gov

Last Changed On : 7/30/2009 11:07:06 AM

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